

## MAY 2006 HIGHLIGHTS

- New Jersey had \$1.297 billion of construction in May, according to 545 of the State's 566 municipalities that reported. New construction amounted to \$556.8 million. Additions and alterations to existing structures totaled \$740.9 million, 57.1 percent of all activity.
- Residential work in May was \$696.1 million, 53.7 percent of all activity. The estimated cost of construction for the 2,933 new dwellings authorized in May was \$375.9 million. New home construction amounted to 29 percent of all work.
- The estimated cost of all authorized work was 6.5 percent more than last month. Authorized dwellings are up by 6.3 percent. There were more than 200,000 square feet of new office space authorized in May compared to last month (an increase of 31.4 percent) and an increase of 72,000 square feet of new retail space.
- Top localities were Woodbridge Township in Middlesex County (\$85 million), Atlantic City in Atlantic County (\$54.5 million), South Brunswick Township in Middlesex County (\$30.4 million), Jersey City in Hudson County (\$28.1 million), Cherry Hill Township in Camden County (\$20 million), and the City of Newark in Essex County (\$19.5 million).
- Most of the work in Woodbridge was for several new buildings that are part of the Rahway Valley Sewerage Authority's wastewater treatment facility. About half of the work in Atlantic City was for an addition to the Borgata Hotel Casino and Spa. In South Brunswick, new office construction accounted for over \$22.4 million of activity. Office renovation and new housing construction were responsible for much of the work in Jersey City. A total of 328 dwellings were authorized in May, more than any other municipality. Half the activity in Cherry Hill was for retail construction. Newark had 216 dwellings in May, ranking second to Jersey City.
- The amount of work reported was \$910.5 million more than this time last year. This is an increase of 14.8 percent. Over 3,000 more houses were authorized for construction compared to last year, for an increase of 18.5 percent. Office construction is up from last year's total, but well below the pace set in 2000 and 2001. New retail construction is down by more than 1.8 million square feet compared to the first five months of 2005, a decline of 55 percent.

<b>Major Construction Indicators, New Jersey: January – May</b>				
<b>Period</b>	<b>Estimated Cost of Construction</b>	<b>Authorized Housing Units</b>	<b>Authorized Office Space (square feet)</b>	<b>Authorized Retail Space (square feet)</b>
January – May 1998	\$3,164,853,868	11,956	3,034,481	3,583,066
January – May 1999	\$3,943,487,194	12,635	4,203,626	2,876,614
January – May 2000	\$3,868,595,659	13,618	5,278,447	2,066,933
January – May 2001	\$4,782,986,399	13,001	7,229,819	2,404,072
January – May 2002	\$4,471,610,569	12,002	3,807,699	3,332,698
January – May 2003	\$4,265,221,462	11,939	3,347,463	2,805,420
January – May 2004	\$5,074,637,462	14,156	4,784,991	1,453,455
January – May 2005	\$5,240,237,921	13,366	3,530,402	2,426,679
January – May 2006	\$6,150,756,218	16,398	4,937,085	1,565,187
<i>Difference</i>				
2005-2006	\$910,518,297	3,032	1,406,683	-861,492
Percent Change	14.8 %	18.5 %	28.5 %	- 55.0 %
Source: N.J. Department of Community Affairs, 7/14/06				

